

Exhibit 12



ENGENDERHEALTH

Improving Women's Health Worldwide

SUBAWARD TO U.S. ORGANIZATION

1. SUBAWARD NO.: URT-501-00	2. EFFECTIVE DATE: July 1, 2005
3. PERIOD OF AGREEMENT: July 1, 2005 to June 30, 2006	
4. SUBRECIPIENT NAME & ADDRESS: Ms. Caroline Mushi Pathfinder International 9 Galen Street, Suite 217 Watertown, MA 02472 U.S.A.	5. PURPOSE OF SUBAWARD: Provide USAID funds through the Elizabeth Glaser Pediatric AIDS Foundation to support the strengthening and scale up of PMTCT activities in Tanzania as described in the Workplan attached. 6. TYPE OF SUBAWARD: Cost Reimbursement
7. ENGENDERHEALTH AGREEMENT EXECUTIVE: Maurice I. Middleberg, Acting President	<i>Items 12, 13, & 14 are further described and restricted in the Schedule</i> 12. TOTAL AMOUNT AWARDED: \$ 100,000 13. TOTAL COST SHARE TARGET: Not applicable
8. ENGENDERHEALTH'S PROJECT DIRECTOR: Grace Lusiola	
9. PATHFINDER INTERNATIONAL'S PROJECT REPRESENTATIVE: Caroline Mushi	
10. PRIME COOPERATIVE AGREEMENT NOS.: GPH-A-00-02-00011-00 and 623-A-00-03-00069-00	
11. CLIENT ORGANIZATION: USAID	

IMPORTANT NOTICES: This Subaward is subject to the approval of the Client Organization. Details of the Amount Awarded, Amount Funded, and other monetary amounts are shown in the Schedule. The terms of this Subaward shall not become binding until both parties to this Agreement have affixed their respective signatures below and the written approval of the Client Organization's Agreement Officer has been received.

AGREEMENT OF THE PARTIES

Pursuant to the authority granted in the Prime Cooperative Agreements shown in Item 10 above, EngenderHealth, Inc. makes this award in furtherance of program objectives during the period shown in Item 3 above. EngenderHealth, Inc. shall not be liable for reimbursing the Subrecipient for any costs in excess of the Amount Funded in this award. This award is made to Subrecipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in 22 CFR 226 entitled *Administration of Assistance Awards to U.S. non-Governmental Organizations*, suitably amended to reflect the Recipient/Subrecipient relationship; Attachment 1 entitled *Schedule*; Attachment 2 entitled *Program Description*; Attachment 3 entitled *Budget*; and Attachment 4 entitled *Standard Provisions*.

FOR THE SUBRECIPIENT:
Pathfinder International

BY

SIGNATURE:

NAME:

TITLE:

DATE:

Beverly Morris Armstrong
BEVERLY MORRIS ARMSTRONG
VP, FINANCE & ADMINISTRATION
8/30/05

FOR THE PRIME RECIPIENT:
EngenderHealth, Inc.

BY

SIGNATURE:

NAME:

TITLE:

DATE:

Maurice I. Middleberg
Maurice I. Middleberg
Acting President
9/16/05

SCHEDULE

1.1 PURPOSE OF AGREEMENT

The purpose of this Subaward is to provide support for the program described in Attachment 2 entitled *Program Description*.

1.2 PERIOD OF AGREEMENT

The effective date of this Subaward is July 1, 2005 and the estimated completion date is June 30, 2005.

1.3 TYPE OF AGREEMENT

This is a subaward provided to Pathfinder International under the USAID Cooperative Agreements GPH-A-00-02-00011-00 (Call to Action Project) and 623-A-00-03-00069-00 (Call to Action Project: For Prevention of Mother to Child Transmission of HIV [PMTCT]). The Prime Organization of the referenced Cooperative Agreements is Elizabeth Glaser Pediatric AIDS Foundation. This Subaward will be amended as appropriate to provide additional funding or standard provisions, if applicable or required.

1.4 AMOUNT OF AWARD AND PAYMENT

- a) The total estimated amount of this Subaward is \$100,000.
- b) EngenderHealth hereby funds the amount of \$100,000 for program expenditures during the period July 1, 2005 to June 30, 2006. EngenderHealth is not obligated to reimburse the Subrecipient for any expenditure amounts in excess of the total amount obligated.
- c) Payment will be made on a quarterly basis. Invoices are to be sent to:
EngenderHealth, Inc.
Grace Lusiola, Project Director
Plot 4
Ali Hassan Mwinyi Road
P. O. Box 78167
Dar-EI-Salaam, Tanzania

1.5 AWARD BUDGET

The award budget is included as Attachment 2. Revisions to the budget, when submitted, shall be in accordance with the requirements of 22 CFR 226.25.

1.6 REPORTING

A quarterly financial and narrative report is required for all activities and expenditures. Reports are due within 30 days and are to be submitted to the Project Director at the address shown in 1.4, part c) above.

Financial Report: Final narrative and financial reports are required within 30 days of the end of the project. Reports are to be submitted to the Project Director at the address shown in 1.4, part c) above.

1.7 PAYMENT

EngenderHealth shall make every effort to process financial reports/invoices and requests for reimbursements in a timely manner. Payments will be made within 30 days of receipt of financial reports and invoices.

1.8 SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

The Project Director must be informed in writing within 30 days of any change in Pathfinder's designated Project Representative.

1.8 KEY PERSONNEL

Ms. Caroline Mushi.

1.9 INDIRECT COSTS

Allowable indirect costs shall be reimbursed on the basis of the Subrecipient's USAID approved or provisional indirect cost rate. Changes to the indirect cost rates must be requested in writing with supporting documents.

1.10 TITLE TO PROPERTY

Title to all property financed under this Subaward shall vest in EngenderHealth. At the end of the project, Pathfinder and EngenderHealth will jointly determine disposition of any equipment with the approval of Elizabeth Glaser Pediatric AIDS Foundation.

1.11 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award in order of preference is 935 and cooperating country.

1.12 COST SHARING

Not required.

Executive Summary:

Pathfinder International (PI), is pleased to collaborate with EngenderHealth (EH), and through funding from Elizabeth Glaser Paediatric Foundation in the Scale up of PMTCT services in three districts: - Arumeru, Monduli and Arusha municipality of Arusha region, whose goal is to reduce vertical transmission of HIV by introducing high quality PMTCT interventions that are accessible, that empower women to make voluntary and well-informed decisions about PMTCT, and that support them in implementing those decisions. Pathfinder will specifically contribute to objective six of the PMTCT project by supporting HIV-positive women seeking care and implementing choices through community mobilization efforts, counselling and support for women in the community by CHWs and TBAs, and home based care.

The proposal is designed to use lessons learnt from Arumeru PMTCT in the last eighteen months of project implementation to consolidate and strengthen PMCT service through the community home based care programs in the project sites, developing linkages to support groups for HIV+ mothers, strengthen community supportive supervision and participating in the development of a two-way referral systems from both communities and health facilities. This proposed twelve months work plan and budget will be implemented from July 1, 2005 and the total obligated amount will be US\$100,000.

Through this contract, Pathfinder will:

- Scale up PMCT activities in Arumeru, Arusha municipality and initiate same services in Monduli by conducting sensitisation meetings for leaders and Community health workers; including TBAs in PMCT basic issues such as counselling and testing to enable them have a good understanding of PMCT concept and services in order to gain their support.
- Develop/ strengthen PMCT community based program by building the capacity of local community-based organizations (CBOs) faith based organizational (FBOs) through training and providing technical assistance.
- Provide a comprehensive training to community health workers (CHWs) and Traditional Births Attendants (TBAs) in order to build their skills, status, and confidence. This will be accomplished through training in PMCT, BCC, counselling, and HIV/AIDS prevention, care and support.
- Participate in the establishing an effective referral system between the community and health facility including face-to-face relations between the facility providers and CHWs.

The proposed PMTCT project will endeavour to collaborate with ongoing initiatives currently being undertaken by other organizations/donors to strengthen project activities, avoid duplication, maximize resources and increase project efficiency and effectiveness. The PMTCT project partners will ensure collaboration with the CDC, MOH, NACP, and regional/district authorities.

At the district and ward levels, the CHBC project partners will work with CBOs and FBOs by making grants available to them. Like its current *Tutunzane* project, the proposed PMTCT project will involve community stakeholders, particularly PLWHA, in the planning and implementations of its activities. The *Tutunzane* approach to community mobilization will ensure community participation and involvement, while also encouraging community ownership of the project to enhance long-term sustainability.

CHWs provide the link between facilities and the community, they have primary contact with members of their communities therefore have numerous opportunities to encourage members to learn their sero status, offer preventive counselling and organize support groups. They offer a trusting, continuous one-to-one relationship with HIV infected and affected individuals within the community to support their efforts on positive living

1. BACKGROUND INFORMATION:

Pathfinder International (PI) has been implementing innovative programs in Tanzania since 1984 and was registered as a non-profit NGO in Tanzania in 1995. PI is the recipient of the 1996 United Nations Population Award, has a country office in Dar-es-Salaam and a regional office in Arusha

Currently, Pathfinder is implementing an HIV/AIDS home based care program for People Living with HIV/AIDS (PLWHAS) Called "TUTUNZANE"(Let's take care of one another) in two regions, Dar es Salaam and Arusha, in four districts Arusha Municipality, Temeke, Kinondoni and Ilala in Dar es Salaam. Under this program, PI is collaborating with twenty (20) implementing partners, who include CBOs, NGOs, FBOs and local government/ district councils. This project will be expanded to selected districts in Kilimanjaro, Tanga and Morogoro.

Pathfinder's *Tutunzane* CHBC model has established facility-community two-way referral systems for 1) providing counselling and basic nursing care training for caregivers; 2) preventing, recognizing, treating and referring for opportunistic infections; 3) assisting PLWHA in maintaining nutrition and hygienic standards; 4) offering PLWHA and their families/caregivers physical, mental, emotional and socio-economic support; and 5) expanding the capacity of CHWs to promote behaviour change in their communities, including stigma and discrimination through participatory development and use of behaviour change communication (BCC) materials and innovative community level strategies.

Pathfinder is also implementing a youth program known as African Youth Alliance (AYA) in partnership with the Government of Tanzania, UNFPA and PATH in 10 Districts of Tanzania, with 14 partners from both public and private sectors. The overall objective of AYA initiative is to improve the knowledge, attitude and behaviour health issues, including HIV and AIDS and sexually transmitted diseases.

In working in Tanzania, one of the strategies of Pathfinder is to contribute to the building of institutional capacity of indigenous community based organization (CBOs) non- government organization (NGOs) faith based organization (FBO) and government in project and financial